

VZCZCXRO2967
RR RUEHCHI RUEHDT RUEHHM
DE RUEHJA #2380 2410931
ZNR UUUUU ZZH
R 290931Z AUG 07
FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC 5992
INFO RUEHXS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUCPDO/DEPT OF COMMERCE WASHDC
RUEHKO/AMEMBASSY TOKYO 0711
RUEHBJ/AMEMBASSY BEIJING 4249
RUEHBY/AMEMBASSY CANBERRA 1076
RUEHUL/AMEMBASSY SEOUL 4148
RUEAIIA/CIA WASHDC

UNCLAS JAKARTA 002380

SIPDIS

SIPDIS

DEPT PASS FAA HQ
DEPT ALSO PASS NTSB FOR MACINTIRE/BENZON/ENGLISH
DEPT FOR EAP/MTS AND EB/TRA/AN
SINGAPORE FOR FAA-WALSH
SINGAPORE FOR TSA- SAHAGIAN
SINGAPORE FOR COAST GUARD- LT CDR PURGANAN

E.O. 12958: N/A

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SUBJECT: TRANSPORTATION MINISTER DISCUSSES ISPS ANDADAM AIR

REF: A) JAKARTA 1282 B) JAKARTA 1690 C) JAKARTA 2363

¶1. (U) Summary. On August 27, Ambassador Cameron Hume called on Jusman Syafi'i Djalil, Minister of Transportation. The Minister commented on the recently delivered International Ship and Port Security (ISPS) Code demarche, the need for foreign investors in rail and port infrastructure, the progress of the Adam Air recovery operation, and airport security. End Summary.

¶2. (U) The Minister was well informed about the contents of the ISPS demarche the Embassy delivered on August 24 to Director General of Sea Transportation, H. Harijogi (reftel C). He commented on the, " gap between U.S. standards and Indonesian capacity". Minister Jusman noted that most major ports visited by the Coast Guard had one large exempt facility (i.e. a facility implementing ISPS and exempt from a possible Port Security Advisory) and one large non-exempt facility. In the short term he expected the majority of trade to shift to these exempt facilities while the non-exempt facilities started to improve and implement ISPS. The Minister stated that he considers the ISPS issue "very serious" and is committed to close cooperation with the U.S. to increase ISPS implementation and overcome a future Port Security Advisory.

¶3. (U) Minister Jusman intends to increase infrastructure and capacity in the Indonesian Rail and Port sectors. The Minister hopes to attract increased foreign investment in railway infrastructure and investment projects with majority foreign ownership made possible by the new Railway Law (Law 23/2007). Minister Jusman also encouraged increased foreign ownership of ports in order to, "break the monopoly" of the state-owned port authority and the central government. (Note: This is not under Minister Jusman's purview, however, and the investment law passed in March and its accompanying negative list for foreign investment limits foreign ownerships of ports to 49%. End Note.)

¶4. (U) Minister Jusman strongly believes that recovery of the Adam Air black boxes is critical since Indonesia, "needs investigation to guard against the future". The Minister was pleased to announce that the Adam Air Recovery Mission successfully located one of two voice data recorders (black box/CRV). (Note: The recovery ship successfully recovered both data recorders on August 28. The Indonesian National Transportation Safety Committee (NTSC) plans to send both recorders to Washington D.C. next Tuesday (September 4) for analysis at the NTSB laboratory. End Note.) On aviation security, the Minister stated that Indonesia plans to use Bali Denpasar Airport as a benchmark to increase security at other

Indonesian airports. The Minister also asked for a status report on the cancellation of the 2005 TSA Public Notice on Bali Airport.

Hume